

CABINET COUNCIL ON MANAGEMENT AND ADMINISTRATION

Meeting #17
August 4, 1983, 2:00 p.m.
The Cabinet Room

MINUTES

Attendees: The President, The Vice President, Meese, Regan, Heckler, Dole, Hodel, Feldstein, Devine, Walters, Porter, Thayer, Wright, Brown, Fuller, Rogers, Verstandig, Bledsoe, Gibson, Sowle, Dineen, Shriver, Baroody, Vipond, Jenkins, Cicconi

1. Administrative Remedies for Employee Misconduct (CM #321)

Mr. Meese introduced this topic as a government-wide personnel matter for which consistency is required. Mr. Devine provided background information, including concerns by Inspectors General that a policy was needed. He mentioned that OPM has worked with agencies to reach agreement on an acceptable policy statement, since some agencies felt sample penalties were necessary, while others opposed the idea. CCMA recommended that a sample table of penalties accompany a Federal Personnel Manual policy letter to be issued by OPM.

Action: The President approved issuance of an FPM letter with a sample table of penalties.

2. Awards for Non-Career SES Members (CM #374)

Mr. Meese pointed out that CCMA has discussed and recommended that non-career Senior Executive Service members not be included in agency performance bonus systems. Instead, a non-cash awards system is proposed consisting of a Presidential Executive Leadership Award and a Presidential Executive Leadership Award, With Distinction. Mr. Devine reviewed the development of the proposed program and its major features. These include the use of an outside panel to make the selections which would be recommended to the President, and an appropriate expression of recognition. The President said that some imagination should be used in what we present to the award recipients. Secretary Regan suggested that a framed citation is appropriate.

Action: The President approved the program.

3. Procurement Reform - Non-Competitive Procurement (CM #207)

This topic was introduced by Mr. Meese as important in light of recent criticisms of government procurement practices. Mr. Wright said that about one-third of the \$180 billion spent on

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Federal purchases is done under non-competitive circumstances. In January, 1983, CCMA reviewed the work on the Federal Acquisition Regulation effort (the President commented that there are still over 30,000 pages of regulations to read), and DOD, GSA and OMB were directed to reach agreement on an approach to increasing competition in procurement. Mr. Sowle outlined the contents of the proposed letter, including the circumstances under which non-competitive procurements would be authorized.

Secretary Dole supported issuance of the letter and agreed that departments should be permitted to achieve goals using their own management approaches. Mr. Thayer asked that awards to minority business firms be referenced. Mr. Sowle pointed out that this is covered by statute and thus is included. Mr. Meese suggested this be specifically stated in the section on statutory non-competitive procurement.

Action: The President approved issuance of the OFPP letter, with the modification that specifies inclusion of minority business firms in statutorily related circumstances.

4. Cash Management

Secretary Regan introduced Ms. Dineen and Mr. Shriver, who are Treasury assistant secretaries for fiscal and electronic systems, respectively. He presented information about management of the government's money, and opportunities and benefits for savings. He described the average daily cash flow, and payment and collections methods and volumes. He identified sources of \$4.6 billion in cash management savings "already put in the bank," since January, 1981, and discussed action plans for an additional \$6.0 billion in cash acceleration by FY 1985, and \$5.3 billion in interest savings by FY 1988.

Secretary Regan mentioned that banks will work with us on improving our cash management practices, and requested that the President issue a directive asking all departments and agencies to support this effort.

Action: The President approved issuance of a directive indicating that this be assigned top priority. Agencies are to work with Treasury and OMB in implementing cash management improvements.

5. PPSSCC (CM #313)

Mr. Fuller provided a status report on the President's Private Sector Survey on Cost Control, indicating that we have received 38 task force reports, containing over 2,236 recommendations. Several reports have been reviewed with agencies and we can already claim successes in that many recommendations are a part of the FY 1985 budget process. By Fall, over half of the recommendations should be reviewed. Some difficulties are being encountered in agreement on the amount of dollar savings which

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are possible, but every effort is being made to achieve the amounts suggested by the 163 chief executive officers and 1,600 top executives who worked on the Survey.

The President asked that agencies, OMB and OPD look closely at the recommendations, as this different point of view could be very beneficial.

Mr. Meese commented that the Administration, through the President's involvement and the CCMA, is indeed managing the government to a much greater extent than it has ever been managed. The President expressed his satisfaction with the meeting and the accomplishments discussed.

The meeting adjourned at 2:55 p.m.